



**Testimony of Brad Williams, Director, Government Relations
for the Senate Judiciary Committee
March 2, 2010**

Thank you Mr. Chairman and members of the Committee for making time for me today. My name is Brad Williams and I am with the Detroit Regional Chamber. The Chamber Board of Directors has made significant cost-saving structural reform one of our top public policy priorities for 2010. We believe that policy decisions made by the Legislature have resulted in unnecessary increases in spending across state government and in turn this has driven bad tax policy including the Michigan Business Tax Surcharge.

In particular, the Chamber has focused on reforming the Department of Corrections. The Department's budget now accounts for over 20% of general fund spending and 1 in 3 state employees. Further, Michigan's spending on the Department of Corrections outpaces every other state in our region. We believe this level of spending is unsustainable. We recognize that there are a number of factors that drive the cost of corrections in the state and that there are a number of steps that need to be taken, including reducing per prisoner cost and right-sizing the prison population. In order to address this, the Chamber board adopted seven specific recommendations that we believe could result in hundreds of millions of dollars in savings for the state budget. I have attached a copy of those recommendations to my written testimony for your perusal.

Included in our recommendations is the idea of reforming the parole system. We agree with many of the steps the Parole Board has already taken to increase parole rates and reduce the prison population. We also see good progress with the Michigan Prisoner Re-entry Initiative to assist parolees in being successful once they leave prison. We believe that the best way to ensure that the parole system continues this progress is to lock parole reform into statute. We believe this is a small step in the right direction and ask you to move this bill forward.

While we support this bill as a good first step, we also believe that this bill could be improved if it were expanded to include all inmates. We support the notion that judges make informed decisions when handing down sentences and that the parole board should not be acting as a second sentencing judge. The parole board should not be judging whether or not the sentencing judge was appropriate in his or her sentence, but rather they should be assessing the parolee's likelihood for success once on parole.

We realize that structural reform is not easy. If reform were easy, it would be done by now. We also feel optimistic that this is the year the Legislature will come together and make great strides towards reforming and revitalizing Michigan. Thank you for your time.



Corrections Reform Recommendations

"The Detroit Regional Chamber supports structural reforms to Michigan's budget that will result in both short and long term savings. Specifically, reforms focused on our Corrections system should address all cost drivers, including overhead, personnel, length of sentence and recidivism. All identified savings in Michigan's budget must be connected to corresponding reductions in the Michigan Business Tax surcharge."

Spending on Corrections has increase 538% in the last 34 years in Michigan. Corrections spending now represents 20% of the general fund budget, up from 5% in 1983. Michigan is one of four states that spends more on prisons that higher education. A meaningful reduction in the Michigan Business Tax Surcharge is dependent upon significant reductions in state spending in this department.

Right-size the Prison Population

1. Reform and De-politicize Parole

- The parole board should return to its pre-1992 status as a board of professional civil servants, since becoming a politically appointed body parole rates for low-risk offenders has plummeted.
- Parole guidelines should reflect the priority of moving low-risk offenders back into the community and recognize the proper role of the parole board and the sentencing judge.
- Increasing parole for low-risk offenders to 1992 levels and the threshold of low-risk offenders to 1996 levels saves \$120 million.

2. Give inmates credits for performing tasks that will reduce recidivism

- Michigan is one of the few states that does not incentivize inmates for positive actions with a reduction in minimum sentences.
- Most other states by incentivize inmates by reducing their inmates minimum sentence by up to 15% with disciplinary credits
- If Michigan can reduce 3,000 inmates' sentences by 15% the savings would be \$100 million.

3. Re-create a Sentencing Commission with increased taxpayer representation

- Michigan should re-establish a Sentencing Commission to bring our average length of stay in line with our neighboring states (it is currently 14 months longer).
- Reducing average length of stay by 14 months results in \$400 million in long term annual savings.

4. Support policies that keep paroled prisoners out of prison

- The Michigan Prisoner Re-entry Initiative should be fully implemented to decrease recidivism by 10% and save \$40 million.
- Parolees who violate parole for a technical violation should be limited to a one year return to prison before being re-paroled to save \$14 million.

Maximize Our Current Investment

5. Allow the private sector to compete to deliver food service

- Both Kansas and Florida have privatized food service in their prison system.
- Based on their cost savings, Michigan could save \$39 million by doing the same.

6. Partner with public and private institutions to deliver non-security related services

- Prisons need many services that don't require a corrections officer including transportation, health care, pharmaceuticals and laundry.
- MDOC should maximize the use of inmates to deliver these services and partner with both the public and private sector to deliver them.

7. Reduce administrative costs within the DOC by 10%

- The Department should make every effort to ensure that the money is going to the prisons and not staying in Lansing.
- A reduction of each line-item that doesn't go into a prison would save \$82.6 million.